

EXECUTIVE SUMMARY

FY 2000-'04 MARICOPA HOME CONSORTIUM CONSOLIDATED PLAN

PREFACE

The Maricopa HOME Consortium is comprised of a wide variety of localities with unique and diverse housing and community development needs. Accordingly, the FY 2000-'04 Maricopa HOME Consortium Consolidated Plan and FY 2000 Consortium Annual Plan has been prepared to address these unique needs, as well as a region-wide approach to address priority affordable housing, homeless, supportive housing and community development needs/issues. Formed as a voluntary association of local governments in Maricopa County, members of the Consortium are committed to pro-actively address priority needs within their respective jurisdictions, while concurrently working in a cooperative and unified basis to address priority regional issues. By intergovernmental agreement among Consortia members, the Maricopa County Community Development Department is the lead agency charged with the preparation of the Consortium Consolidated Plan.

SECTION 1.0: MARKET CONDITIONS AND NEEDS ASSESSMENT

Throughout the Consortium service area, it is estimated that 86,500 renter households and 64,100 owner households earning under 80% of the area median are in need of housing assistance in FY 2000. By FY 2004, it is estimated that an additional 10,800 renters and 8,000 owners earning under 80% of the median will require assistance, representing an average annual addition of 3,760 lower income households in need. To date, available federal, state, local, and private housing resources have assisted only a limited amount of those in need. Of the total need outlined above, many of these households are cost burdened or severely burdened, paying from 30% to over 50% of their income for housing. From a survey conducted in the Consortium service area, there are significant waiting lists in effect for federal rental assistance programs. Often, waiting lists are over two years in duration. It is estimated that at least 13,000 unsheltered homeless persons presently reside in Maricopa County, and these individuals require emergency, transitional and permanent housing facilities, as well as a host of social services. Frail elderly, disabled persons, AIDs victims, migrant and seasonal farmworkers, etc. and seriously mentally ill individuals all represent major special populations in the Consortium service area in need of supportive housing facilities and services. The unique needs of these target groups are identified in more detail in the CP. Generally, the facilities and services presently committed and available to serve these persons are not adequate.

Maricopa County is experiencing sustained economic and employment growth. Prevailing economic conditions are quite strong with residential, single-family permitting at comparatively high levels and multi-family market conditions sustaining substantial increases in rental rates. For sale vacancy rates in single family homes are quite low, and multi-family rates are higher but are still tight. Most of the multi-family permitting activity has been for middle and high income individuals and families. The rapid escalation in home values and high apartment rental rates has stressed stock availability for lower income persons in need of assistance. 'While reductions in mortgage interest rates and increases in per capita income during the period has strengthened the purchasing power of the consumer and home affordability, recent trends toward higher mortgage interest rates coupled with rapidly escalating home values portend prospective affordability issues for the consumer in the future. Increases in home values and rental rates have resulted from sustained net in-migration to the region, as well as from escalating land, labor and material costs. Despite increases in per capita income for lower income renter households, the blistering advance of rental rates within the region has stressed lower income renter households, especially for the most vulnerable categories of persons in need (lower income elderly, frail elderly, disabled persons, migrant and seasonal farmworkers, etc). While residential market conditions are expected to eventually abate somewhat, the opportunities afforded lower income families as a result of severe cyclical downturns in the housing market are not

anticipated to occur.. The Maricopa HOME Consortium intends on capitalizing on existing market conditions by stimulating the rehabilitation of owner occupied dwellings; pursuing acquisition and rehabilitation opportunities; fostering homeownership opportunities for lower income, credit-worthy borrowers; stimulating the production of multi-family production for lower income families; and seeking to address the needs of homeless persons and those with special needs through homeless prevention and the support of emergency, transitional and permanent housing opportunities with needed support services.

SECTION 2.0: FIVE-YEAR (FY 2000-FY 2004) STRATEGIC PLAN

The Maricopa HOME Consortium has determined affordable housing priorities for its service area on a regional basis. These priorities range from a high priority assigned to existing and prospective owner households in need, to medium and high for varying categories of renters. With respect to the needs of homeless persons and populations requiring supportive housing assistance, medium and high priorities were assigned. Refer to HUD Table 1A in the Consortium document for more detail. The Maricopa HOME Consortium anticipates pursuing housing rehabilitation, acquisition plus rehabilitation, homebuyer assistance programs, rental assistance, new construction and the provision of needed supportive service efforts in the coming year. The types of assistance to be provided will vary on the family type and income level of households to be assisted. As a general rule, the jurisdictions within the Maricopa HOME Consortium often favor the use of single-family housing rehabilitation efforts since it offers the communities a dual benefit of neighborhood revitalization plus focused assistance to persons in need.

With respect to the needs of homeless persons and special populations, the continuum of care has been identified in the plan. The Maricopa HOME Consortium has focused on homeless prevention, support for a variety of homeless facilities within its service area, and addressing homelessness in Maricopa County on a regional basis. Funding to be committed for homeless persons and those special populations in need of supportive housing are subject to the availability of Federal, State and Local resources, the specific policy of objectives of local governing bodies, as well as the quality of proposals ultimately offered. Refer to Section 2 for further information.

The Maricopa HOME Consortium strategic plan also includes detailed efforts associated with: policies to be undertaken to encourage homeownership, multi-family production, rental subsidy support and effective project management by member housing authorities; reductions in the number of persons in poverty; identification and elimination of barriers to affordable housing production; mechanisms to strengthen the affordable housing delivery system; and, efforts to foster lead based paint abatement and evaluation.

FY 2000 ANNUAL PLAN

In the forthcoming fiscal year and pursuant to the FY 2000 Maricopa HOME Consortium Annual Plan prepared under separate cover, a significant portion of the federal HOME and CDBG resources used by Consortium members for affordable housing are anticipated to be expended on housing rehabilitation in targeted geographic areas throughout the region to foster neighborhood revitalization for those in need, as well as increase the supply of rental housing in the region.

The anticipated \$4.323 million in federal FY '00 HOME resources (excluding county administrative resources) anticipated to be available to consortium members will be distributed in the following manner:

Chandler	\$313,485 or 9.02% of non-CHDO allocation.
----------	--

Gilbert	\$108,704 or 3.13% of non-CHDO allocation.
Glendale	\$497,951 or 14.3% of non-CHDO allocation.
Maricopa County (Urban County Region)	\$798,336 or 22.99% of non-CHDO allocation plus \$202,204 in administration.
Mesa	\$854,778 or 24.16% of non—CHDO allocation.
Peoria	\$148,571 or 4.27% of non-CHDO allocation.
Scottsdale	\$279,313 gross or 8.0% of non-CHDO allocation.
Tempe	\$471,208 or 13.6% of non-CHDO allocation.
CHDO Allocation (Anywhere in Consortium Service Area).	\$648,450 or 15% of total gross allocation.

About \$122,000 in FY 2000 Emergency Shelter Grants is anticipated to be available to the Maricopa County Human Services Agency. The Maricopa County Human Services Department intends on committing approximately 30 percent of its annual available ESG resources for homeless prevention via short term rental support coupled with needed support services to persons “at risk”, while committing the balance of available ESG funds to support the selected operational costs for either transitional or emergency facilities in the Consortium region serving homeless individuals/families.

The commitment of CDBG and HOME resources for affordable housing varies for each member of the Maricopa HOME Consortium. Contact each member of the Consortium for details in this regard, as well as refer to each member's CP for information.

Consortium members will also take specific actions to affirmatively further fair housing, seek to reduce the number of persons in poverty, stimulate public housing residents to avail themselves of homeownership opportunities and take more control of the management of their housing and pursue incentives for the production of affordable housing. Refer to the FY 2000 Maricopa HOME Consortium Annual Plan as well as each member’s CP for more details.

EXECUTIVE SUMMARY
FY 2000-'04 MARICOPA URBAN COUNTY
CONSOLIDATED PLAN

The Maricopa County Community Development Agency is the entitlement grantee for CDBG funds covering the Maricopa Urban County region, and as such is the lead entity in preparing the Consolidated Plan for the jurisdiction.

SECTION 1.0: MARKET CONDITIONS AND NEEDS ASSESSMENT

To date, available federal, state, local, and private housing resources have assisted only a limited amount of those in need. Of the total need outlined above, many of these households are cost burdened or severely burdened, paying from 30% to 50% of their income for housing. From a survey conducted in the Consortium service area, there are significant waiting lists in effect for federal rental assistance programs. Often, waiting lists are over 18 months in duration. In FY '00, it is estimated that 33,200 households earning less than 80% of the county median within the Urban county are in distress, and expected to rise to 37,800 in FY '04. It is estimated that at least 13,000 homeless persons presently reside in Maricopa County, and these individuals require emergency and transitional housing facilities, as well as a host of social services. Frail elderly, disabled persons, AIDs victims, migrant and seasonal farmworkers, etc. and seriously mentally ill individuals all represent major special populations in the Consortium service area in need of supportive housing facilities and services. The unique needs of these target groups are identified in more detail in the CP. Generally, the facilities and services presently committed and available to serve these persons are not adequate.

Maricopa County is experiencing sustained economic and employment growth. Prevailing economic conditions are quite strong with residential single-family permitting at all time high levels and multi-family market conditions inducing escalating rental rates. For sale vacancy rates in single-family homes are quite low, as are multi-family rates. Virtually all of the multi-family permitting activity has been for middle and high income individuals and families. The rapid escalation in home values and apartment rental rates is stressing stock availability for lower income persons in need of assistance. Recent hikes in mortgage interest rates coupled with rising land and labor costs are exacerbating housing affordability for persons in need. The Maricopa HOME Consortium intends on capitalizing on existing market conditions by stimulating the rehabilitation of owner occupied dwellings; pursuing acquisition and rehabilitation opportunities; fostering homeownership opportunities for lower income, credit-worthy borrowers; stimulating the production of multi-family production for lower income families; and seeking to address the needs of homeless persons and those with special needs through homeless prevention and the support of emergency, transitional and permanent housing opportunities for those in need with needed support services.

SECTION 2.0: FIVE-YEAR (FY 2000-FY 2004) NON-HOUSING STRATEGIC PLAN

From FY 2000 to FY 2004, it is estimated that \$265.7 million in CDBG eligible, priority, non-housing community development needs exist within the Maricopa Urban County region. These figures have been derived from adopted municipal and county community development plans by all units of local government and unincorporated areas. In assessing local needs, representatives of local governments drew information from their capital improvement plans, general plans, public input and other relevant information. Community development (non-housing, CDBG eligible needs) were as follows: public facilities - \$61 million; infrastructure - \$119 million; public services - \$13 million; anti-crime -

\$510,000; youth programs - \$15 million; senior programs - \$19 million; economic development - \$36 million; and, planning at \$150,000. Under guidance from the Maricopa County Community Development Advisory Committee (CDAC), the Maricopa County CDD has proposed a series of strategies to address its priority, housing and community development needs. They include, but are not limited to, the following:

- Stimulate the investment of other public and private resources with CDBG resources.
- Strategically assist units of local government and unincorporated regions secure and administer CDBG resources to address priority needs.
- Strategically commit CDBG resources to public facility projects to induce the provision of needed public services to applicants.
- Strategically invest CDBG resources to serve the maximum number of low and moderate income persons from projects assisted.
- Strategically invest CDBG resources to arrest neighborhood decline, foster the economic vitality of the region, stimulate investment and further neighborhood revitalization and redevelopment.
- Explore and submit if feasible a Neighborhood Revitalization Strategy to foster the economic empowerment of Urban County residents on a continuing basis.

While not treated in the Maricopa Urban County CP (located in the Maricopa HOME Consortium CP), residential development is also needed in the region from FY 2000 - FY 2004. Priorities have been established on a regional basis. These priorities range from a high priority assigned to owner households in need, to medium and high for varying categories of renters. With respect to the needs of homeless persons and populations requiring supportive housing assistance, medium and high priorities were assigned. Refer to HUD CP Table 1A and 2A in the Consortium document for more detail.

With respect to the needs of homeless persons and special populations, the continuum of care has been identified in the plan. The Maricopa HOME Consortium has focused on homeless prevention, support for a variety of homeless facilities within its service area, and addressing homelessness in Maricopa County on a regional basis. Funding to be committed for homeless persons and those special populations in need of supportive housing is subject to the availability of Federal, State and Local resources, the specific policy of objectives of local governing bodies, as well as the quality of proposals ultimately offered. Refer to Section 2 of the Maricopa HOME Consortium for further information.

The Maricopa HOME Consortium strategic plan also includes detailed efforts associated with: policies to be undertaken to affirmatively further fair housing; encourage homeownership and project management by public housing residents; reduce the number of persons in poverty; identify and eliminate barriers to affordable housing production through focused technical assistance efforts, the development of needed incentive programs and other related activities; foster lead based paint abatement and evaluation; and identify the affordable housing and community development resources available as well as proposed leveraging efforts and compliance with applicable match restrictions.

ANNUAL PLAN (FY 2000)

In the forthcoming fiscal year in the Maricopa Urban County region, it is estimated that with about \$3,439,000 in anticipated CDBG resources in FY 2000, a variety of projects are being proposed to be funded by the Maricopa County Community Development Advisory Committee, as follows:

Aguila (Helipad Construction/Fire District) - \$100,000
Avondale/Las Ligas (Street Improvements) - \$315,000
Buckeye (Street Improvements) - \$240,000
Countywide-Sun Sounds - \$23,625
East Valley/Counseling Facility - \$195,000
El Mirage (Water Improvements) - \$300,000
Gila Bend (Street Improvements) - \$355,000
Goodyear (Housing Rehab) - \$150,000
Guadalupe (S/F Housing Rehab) - \$300,000
Queen Creek (Park Improvements) - \$50,000
Buckeye (Health Facility) - \$52,554
Surprise (Senior Center) - \$300,000
Tolleson (S/F Housing Rehab) - \$200,000
Wickenburg (Senior Respite Center) - \$128,039
Youngtown (Street Improvements) - \$90,299
Fair Housing - \$95,000
Administration - \$544,483
HURF - \$300,000
Total - \$3,739,000

HOME funds are anticipated to be committed to the following jurisdictions:

CSA/Maricopa County Rental Housing Project - \$380,000.
CSA/First Time Homebuyer Support - \$118,336.
Guadalupe (New S/F Housing Construction). - \$200,000
Queen Creek (S/F Rehab) - \$100,000
Administration - \$202,204
Total Urban County - \$1,000,540

Refer to the FY 2000 Urban County Annual Plan and the FY 2000 Maricopa HOME Consortium Annual Plan for further details.